Village of Carol Stream

SPECIAL WORKSHOP MEETING

MONDAY, AUGUST 5, 2019

6:00 P.M.

GREGORY J. BIELAWSKI MUNICIPAL CENTER
500 N. GARY AVENUE
CAROL STREAM, ILLINOIS 60188

BOARD ROOM

AGENDA

1. CALL TO ORDER
2. ATTENDANCE
3. FINANCIAL PROFILE/PEER COMPARISON UPDATE
4. RECREATIONAL CANNABIS SALES
5. OTHER BUSINESS
6. ADJOURNMENT
Contents

I. Introduction & Scope
II. Peer Communities
III. Revenues
IV. Staffing
V. Summary Recap
I. Introduction

&

Scope
Introduction

PURPOSE

• Compare information on demographics, revenues, expenditures, financial results and financial position.

• Framework for understanding Carol Stream’s financial performance considering:
  – Historical results
  – Peer performance

• Basis for establishing context for future planning and decision making.

• Communications tool to aid public discussion.
Introduction

SCOPE

• Includes activities of all Governmental Fund types
  – i.e. Those functions traditionally funded by general taxation.
    • General Fund, MFT and Capital Projects Fund, TIF Fund
• Excludes enterprise operations
  – i.e. Those functions primarily supported by user fees.
  – Water/Sewer Utilities
  – Golf Courses
  – Parking Systems
Introduction

SCOPE

• Previous comprehensive reviews performed on a triennial basis using data from:
  o FY2010
  o FY2013
  o FY2016

• The attached is a partial updated analysis given recent revenue declines with a focus on:
  − CS vs peer group revenues and staffing changes.
  − What has changed from prior reviews, what has remained the same?
II. Peer Communities
Peer Communities

- Selection criteria
  - Population, Footprint, EAV, Demographics
  - Included in labor market comparisons
  - Often considered along with Carol Stream by new home buyers

- Ten peers selected (All are Home Rule communities except Lombard)
  
<table>
<thead>
<tr>
<th>Addison</th>
<th>Glendale Heights</th>
<th>Streamwood</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bartlett*</td>
<td>Hanover Park*</td>
<td>Wheaton</td>
</tr>
<tr>
<td>Bloomingdale</td>
<td>Lombard</td>
<td>Woodridge*</td>
</tr>
<tr>
<td>Downers Grove</td>
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(* Multi-County)
Peer Comparisons Can Be Tricky

- Different sizes
- Different service offerings
  - 5 have Municipal Fire Departments (Hanover Park, Streamwood, Wheaton, Lombard, Downers Grove)
  - Parks & Recreation included in Glendale Heights
  - Varying accounting practices, fund and department structures
- Different mix of residential and commercial property and some multi-county.
- Different fiscal periods
  - 5 report on calendar year (Downers Grove, Hanover Park, Lombard, Streamwood, Woodridge) vs. fiscal year.
III. Revenues
Total Governmental Revenues
## Key Revenue Matrix

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<td>X</td>
<td>X</td>
<td>X</td>
<td>1.00%</td>
<td>5.0%</td>
<td>$2.50</td>
<td>6.0%</td>
<td>$25</td>
<td>$500</td>
<td>22/105</td>
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<td>0.9539</td>
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<td>1.00%</td>
<td>6.0%</td>
<td>$3.00</td>
<td>6.0%</td>
<td>elim.</td>
<td>elim.</td>
<td>$500</td>
<td>15/69</td>
<td></td>
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<tr>
<td>Bloomingdale</td>
<td>0.2932</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>0.50%</td>
<td>6.0%</td>
<td>1.00%</td>
<td>2.0c</td>
<td>$500</td>
<td>6/26</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Carol Stream</td>
<td>0.4896</td>
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<td>X</td>
<td>X</td>
<td>1.00%</td>
<td>5.0%</td>
<td>$3.00</td>
<td>6.0%</td>
<td>.564¢</td>
<td>2.5¢</td>
<td>$50</td>
<td>$1,000</td>
<td>16/80</td>
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<tr>
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<td>X</td>
<td>X</td>
<td>X</td>
<td>1.00%</td>
<td>1.0%</td>
<td>6.0%</td>
<td>.391¢</td>
<td>1.5¢</td>
<td>1.5¢</td>
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<tr>
<td>Glendale Heights</td>
<td>0.9969</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>1.25%</td>
<td>1.0%</td>
<td>$3.00</td>
<td>6.0%</td>
<td>.488¢</td>
<td>5.0¢</td>
<td>$15</td>
<td>$500</td>
<td>13/63</td>
<td></td>
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<td>Hanover Park</td>
<td>1.0126</td>
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<td>X</td>
<td>X</td>
<td>0.75%</td>
<td>3.0%</td>
<td>$3.00</td>
<td>6.0%</td>
<td>.61¢</td>
<td>3.0¢</td>
<td>$1,000</td>
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<td>X</td>
<td>X</td>
<td>1.00%</td>
<td>2.0%</td>
<td>6.0%</td>
<td>.61¢</td>
<td>5.0%</td>
<td></td>
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<td>0/0</td>
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<tr>
<td>Streamwood</td>
<td>1.4109</td>
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<td>X</td>
<td>1.00%</td>
<td>2.0%</td>
<td>$3.00</td>
<td>5.0%</td>
<td>.449¢</td>
<td>3.25¢</td>
<td>$150</td>
<td>14/69</td>
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<td>Wheaton</td>
<td>0.9338</td>
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<td>X</td>
<td>X</td>
<td>X</td>
<td>1.00%</td>
<td>5.0%</td>
<td>$2.50</td>
<td>6.0%</td>
<td>.61¢</td>
<td>3.0¢</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Woodridge</td>
<td>0.2661</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>0.75%</td>
<td>6.0%</td>
<td>$2.50</td>
<td>6.0%</td>
<td>.567¢</td>
<td>5.0¢</td>
<td>$250</td>
<td>6/29</td>
<td></td>
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</tr>
</tbody>
</table>

* Per capita based State distribution.

1 In addition to home-rule sales tax, a 1.00% business district tax applies to selected commercial areas.

2 Per $1,000 of contract sales price.

3 Variable - Rate is for the first 2,000 kwh consumption.

4 Per gallon.

5 Carol Stream = 2 year sticker.

6 Number of establishments/terminals installed.

Represents an increase from 2016.

Represents a decrease from 2016.
2 Year Change in Total Governmental Revenues - 2016 to 2018

Source: Comprehensive Annual Financial Reports.
All Governmental Funds.
Governmental Fund Revenues per Capita
2018

Source: Comprehensive Annual Financial Reports.

- Includes City/Village Fire Services
- Includes Parks/Recreation
- Includes Dispatch Center
Governmental Fund Revenues per Capita (Adjusted) - 2018

Source: Comprehensive Annual Financial Reports.

Gross revenues have been reduced by total fire service expenditures (Hanover Park, Streamwood, Wheaton, Lombard, Downers Grove), total park/recreation expenditures (Glendale Heights) and central dispatch revenues (Addison).
Governmental Fund Revenues per Capita
Property Tax vs All Other Revenues - 2018

Source: Comprehensive Annual Financial Reports.

- **Property Tax Component (excl. TIF, SSA, R&B)**
- **All Other Governmental Revenues**
Total Governmental Revenues

- Carol Stream’s governmental revenue growth over the past 2 years has declined by 2.0% and has been outperformed by 7 of our 10 peer communities. This represents a shift from prior comparison studies and is largely rooted in sales tax losses sustained in 2017 and 2018.

- Total governmental revenues generated on a per capita basis is among the lowest of our peer communities. Carol Stream’s position in this ranking has not changed compared to all 3 editions of this report dating back to FY2010.

- Carol Stream’s lack of a property tax has likely kept it at its current ranking among the lowest revenue producers. If the property tax component were removed from peer community revenues, Carol Stream revenues per capita would outperform 7 of 10 of our peers instead of our current position of underperforming 9 of 10 peers.

- Since the last report in November 2017, Carol Stream has made more increases in its principal revenues than all of our peers. The impact of this with respect to our ranking is not yet known (rankings are based on FY18 data, impact of new revenues will affect FY19 and FY20).
Sales Taxes
Data presented includes the 1% local government share of the 6.25% State base sales tax rate on general merchandise. Does not include any home rule or other additional sales tax imposed by the municipality.
Sales Tax Revenues
2 Year Change - CY 2016 to 2018

Source: Illinois Department of Revenue

Data presented includes the 1% local government share of the 6.25% State base sales tax rate on general merchandise. Does not include any home rule or other additional sales tax imposed by the municipality.
Sales Tax Revenues
3 Year Change - CY 2015 to 2018

Source: Illinois Department of Revenue

Data presented includes the 1% local government share of the 6.25% State base sales tax rate on general merchandise. Does not include any home rule or other additional sales tax imposed by the municipality.
## Annual Change in Sales Tax Collections

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>DuPage County</th>
<th>Peer Group</th>
<th>Carol Stream</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2.0%</td>
<td>1.3%</td>
<td>-2.4%</td>
</tr>
<tr>
<td>2017</td>
<td>1.5%</td>
<td>1.7%</td>
<td>-6.6%</td>
</tr>
<tr>
<td>2016</td>
<td>2.2%</td>
<td>0.8%</td>
<td>8.8%</td>
</tr>
<tr>
<td>2015</td>
<td>2.6%</td>
<td>5.4%</td>
<td>11.2%</td>
</tr>
<tr>
<td>2014</td>
<td>4.2%</td>
<td>4.4%</td>
<td>6.7%</td>
</tr>
<tr>
<td>2013</td>
<td>6.1%</td>
<td>4.8%</td>
<td>17.9%</td>
</tr>
<tr>
<td>2012</td>
<td>3.3%</td>
<td>0.6%</td>
<td>3.4%</td>
</tr>
<tr>
<td>2011</td>
<td>4.5%</td>
<td>4.2%</td>
<td>1.6%</td>
</tr>
<tr>
<td>2010</td>
<td>4.6%</td>
<td>3.5%</td>
<td>2.1%</td>
</tr>
<tr>
<td>2009*</td>
<td>-9.9%</td>
<td>-8.1%</td>
<td>-13.7%</td>
</tr>
</tbody>
</table>

* Low point of Great Recession

(excludes home rule sales tax)
Sales Tax Revenues

- Sales taxes continue to play a critical role in funding Carol Stream’s governmental activities. Because Carol Stream has no property tax, our financial performance (positive or negative) is more significantly impacted by what happens with sales tax generation (greater volatility).

- Carol Stream’s sales tax performance in each of the last 3 year comparison periods ranks in the lower 1/3 of the peer group. This again is largely influenced by the loss of large taxpayers in 2017 and 2018 and represents a major shift from our performance in prior peer comparisons.

- Carol Stream’s sales tax collections in 2018 remain below levels produced 3 years prior in 2015. This has a significant impact on Village operations that are dependent on growth in our largest revenue source to keep pace with increases in operating expenditures.

- Many of our recent revenue increases (HRST 7-1-18, motor fuel tax 6-1-18, vehicle sticker 5-1-19, and liquor tax 7-1-19) were implemented to compensate for losses in sales tax revenues.
Sales Tax Revenues

- All 10 peer communities now impose some form of **home rule sales tax (HRST)**. Only 1 community imposes a higher tax rate than Carol Stream, 7 have the same rate, and 2 have a lower tax rate. We have increased our rate twice (7/1/10 & 7/1/18) since first implementing HRST on 7/1/03.

- It is still unclear what impact newly enacted legislation ("Leveling the Playing Field for Illinois Retail Act" – 6/28/19) will have on Carol Stream Sales tax collections. Primary benefits of this legislation include collection of all local taxes (HRST included) on goods shipped from out of state retailers to Carol Stream addresses where the seller has no physical nexus in Illinois. This provision of the new act is not effective until 7/1/20 with first collections deposited in October 2020. Since we are allegedly capturing transactions that were not previously taxed or were only subject to Illinois Use Tax, we should anticipate some degree of revenue enhancement, the extent of which is unknown.
Property Taxes
2018 Municipal Property Tax Bill (paid in 2019)
$231,400 Median Home Market Value

AVG = $572

Source: Comprehensive Annual Financial Reports/County Records.

Fire-specific property taxes have been excluded from tax bill amount shown.

Excludes parks/recreation levy.
Property Tax as a % of Total Governmental Revenues - 2018

AVG = 24.6%

Source: Comprehensive Annual Financial Reports.
Excludes R&B, TIF and SSA Property Taxes.
Total 2018 Community Property Tax Rate

Average = 8.9528%

Source: Comprehensive Annual Financial Reports / DuPage County Clerk

Rates used are for portion of municipality within DuPage County (Cook County for Streamwood).
Amounts in yellow indicate municipal tax rate. Amounts in green indicate all other taxing jurisdictions.
Municipal Share of Total Community Property Tax Bill - 2018 (paid in 2019)

Source: County property tax data.
Governmental Fund Revenues by Type - 2018

**Carol Stream**
- Sales Tax: 44%
- All Non-Tax Rev.: 22%
- Utility Tax: 13%
- Income Tax: 13%
- Other Taxes: 8%

**Peer Group**
- Property Tax: 25%
- Sales Tax: 30%
- All Non-Tax Rev.: 19%
- Other Taxes: 11%
- Utility Tax: 6%
- Income Tax: 9%

Source: Comprehensive Annual Financial Reports.

Other Taxes include such items as Hotel, Video Gaming, Food & Beverage, TIF, Real Estate Transfer, etc.
All Non-Tax Rev. includes such items as fines, charges for services, grants, licenses, permits, and interest income.
Property Tax Revenues

- Carol Stream is singularly unique among the peer group in that it does not impose a local municipal property tax. Property taxes paid to peer group communities in 2019 for the median home valued at $231,400 ranged from $205 to $1,088, with an average of $572.

- Property taxes are a significant source of income within the peer group, averaging 25% of ALL governmental revenues.

- Considering total community property tax rate, Carol Stream falls in the middle 1/3rd, having a Village-wide rate about 3.8% above the peer average.

- The municipal portion of the total property tax bill ranged from a low of 2.9% to a high of 12.9%, with a peer average of 8.3%.

- Property taxes are arguably the most stable/reliable revenue stream a community can collect. Given 25% of all peer community’s revenues come from property taxes, Carol Stream is at a disadvantage with respect to increased volatility of total revenues during periods of economic decline.
Property Tax “What-Ifs”

Using 2018 EAVs (Equalized Assessed Values) for Carol Stream for property tax bills paid in 2009:

- A Village tax levy of $1,000,000 would result in a property tax bill of $61.03 to the owner of a median value home having a market value of $231,400.

- If the Village collected the peer AVERAGE of $572 from the owner of a median valued home, the Village’s corresponding property tax levy would generate $9,372,000.

- The HIGH peer local property tax bill of $1,088 would support a levy amount of $17,827,000.

- The LOW peer local property tax bill of $205 would support a levy amount of $3,359,000.

- If the Village levied the LOW scenario above ($3,359,000) the Village’s total tax rate for 2018 would be 9.5557%.

(between Woodridge and Bartlett)
IV. STAFFING
Total Employees per 1,000 Residents
2020

Average = 4.26

Source: Most current municipal budget.

Note: To support a more accurate comparison, employee counts for certain services that are not typically provided by all members of the peer group have been removed. These include Fire, Recreation/Parks, Golf Course, Wastewater Treatment Plant. Elected officials and seasonal positions have also been excluded from this presentation.
Percentage Change in Total Authorized Staffing
2015 to 2020

Source: Municipal budgets.
Village Staffing

- In terms of number of Village staff per 1,000 residents, Carol Stream is no longer among the leanest, and now falls in the middle of the peer group. The Village consistently ranked in the lower 1/3 among its peers in the FY10 and FY13 studies, however has moved into the middle 1/3 during the FY16 and FY18 peer reviews.

- Growth in Carol Stream staffing over the past 5 years has outpaced all of our peers except for one. During the same period, 6 of our 10 peer communities have experienced contraction in total staffing levels as expressed in terms of total population served.
V. Summary Recap
Summary Recap

1. The Village provides service to the community in an efficient manner and at an excellent value to residents (no property tax!, no debt!).

2. The Village’s lack of a property tax has contributed to its lagging revenue production on a per capita basis when compared to its peers. It also leaves the Village more susceptible to increased volatility of total revenues in periods of economic decline.

3. Total near-term Village governmental revenues have been in decline. During the last five years, Village staffing has been increasing at a rate faster than most of our peers. This represents a significant shift from prior peer studies and impacts the Village’s ability to generate sufficient reserves to fund its Capital Improvement Program (CIP), let alone maintaining balance in its operating funds.

4. The Village will need to continue work to optimize its revenue/expenditure balance so that sufficient funding is available to support both operations and capital investment on a long-term basis.
Next Steps

- A future workshop (likely August 19) will include a review of some operational performance and funding challenges we will continue to face into the future as well as a review of our Capital Improvement Plan.

- This will include discussion of implementation of a property tax and how that would be achieved, including any remaining other possible revenue streams.

- We will present one possible approach on how to use a property tax to add greater stability to the General Fund as well as managing to bolster additional funding for capital investment.

- Staff will need general direction on how the Mayor & Board would like to address some of the identified funding gaps before capital reserves are depleted.
Village of Carol Stream
Interdepartmental Memo

TO: Village Board
VIA: Bob Mellor
FROM: Joe Carey
DATE: August 2, 2019
RE: Recreational Cannabis

In June, Governor Pritzker signed House Bill 1438, known as the Cannabis Regulation and Tax Act. This law approved the use and possession of cannabis in Illinois beginning on January 1, 2020 for adults 21 years of age and older. This law, in and of itself, does not alter or affect the provisions the Village Board added to the Zoning Code in 2014 related to medical cannabis.

The law, over 600 pages, includes a number of provisions impacting the Village of Carol Stream. The following provides information regarding the municipal impact of the legislation:

Personal Possession and Use

- For Illinois resident who are 21 years or older, possession is limited to:
  - 30 grams of raw cannabis (15 grams for non-resident)
  - Cannabis infused products with no more than 500 mg of THC (250 mg for non-resident)
  - 5 grams of cannabis product in concentrated form (2.5 g for non-resident)
- Individuals who are registered in the State’s medical cannabis program may grow up to 5 Cannabis plants. Homegrow is otherwise prohibited.
- Property owners are allowed to prohibit the use and growing of cannabis on their properties.
- Use of cannabis is prohibited in the following areas:
  - Grounds of any preschool, primary, or secondary school
  - Motor vehicles
  - In any public place or knowingly in close physical proximity to anyone under 21 years of age
  - Any location where smoking is prohibited by the Smoke Free Illinois Act

Zoning Restrictions

The new law does not allow municipalities to prohibit the use of recreational cannabis within corporate boundaries.

The Village, per State law, "may enact ordinances to prohibit or significantly limit a cannabis
business establishment's location.” This would include non-medical related cultivation centers and dispensaries. The Village is given broad authority over the types of restrictions it can implement. However, the Village cannot impose any licensing fee.

Certain restrictions are made in the Act and includes the following:

- No cannabis business establishments are allowed in a residential zoned district
  - Medical cultivation centers are restricted from being located within 2,500 feet from daycares, schools, or residential zoned property.
- No dispensary located within 1,500 feet of another dispensary
  - Medical dispensaries are restricted from being located within 1,000 feet of a school, daycare, home or residential zoned property.

The map attached includes the current locations where medical dispensaries permitted by local Zoning and State law. The Village passed an Ordinance previously restricting medical dispensaries to the B-4 Zoning District as a Special Use.

Due to the 2,500 foot setback buffer for medical cannabis cultivation centers, there is a limited area within the Village’s industrial park where a grow facility would be allowed.

**The Village has the ability to place zoning restrictions on non-medical cannabis business establishments including restrictions on time, place, on premise use, manner and number of cannabis business operations, including minimum distances between locations through conditional use permit**

**Public Safety Impacts**

The new law will have a major impact on public safety operations. Colorado Division of Criminal Justice issued a report in October 2018 that found the major change with legalization was an increase in black market (organized crime) of grow facilities and distribution. The Report further notes that the existing data sources vary considerably which makes drawing conclusions on the impact of legalization difficult.

In Denver, the majority of crime at cannabis establishments involved burglary and robberies were not found to be prevalent. This is consistent with findings by Lombard that found the impact of a dispensary or cultivation center to be minimal. This is based on a survey regarding existing medical dispensaries in the surrounding Chicago suburbs which found minimal impact on calls for service.

Fortunately the Village has already proven itself to be a leader in Illinois with 6 Drug Recognition Experts and 58 Officers having completed the Advanced Roadside Impaired Driving Enforcement (ARIDE) program. For Reference, in 2018 Denver had 27 DRE’s).
Medical Dispensary and Cultivation Center Locations

Throughout the State, there are 55 licenses for medical dispensaries, and the Department of Financial and Professional Regulation may issue up to 60 medical dispensary licenses. These existing medical dispensaries have the option to apply for early approval adult-use licenses, either at their existing or secondary site. The new legislation authorizes up to 47 additional adult use dispensaries in the Chicago-Naperville-Elgin region. This region consists of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry, and Will County. The law allows up to 295 dispensing organizations throughout the State in the first year and allows up to 500 by January 1, 2022.

There are up to 22 cultivation centers authorized by the Compassionate Use of Medical Cannabis Pilot Program Act. Those centers will have the first opportunity to apply for early approval adult-use cultivation licenses. Ultimately, 30 Adult Use Cultivation Center licenses are authorized in the new legislation.

Potential Revenue

The Village will receive State revenue from the sale of recreational cannabis in the amount of 8% of the total amount of revenue collected (after administrative costs). The funds will be restricted to crime prevention programs, training, and interdiction efforts related to illegal cannabis and cannabis-based DUI’s. This amount will be provided to the Village on a per capita basis through Local Government Distributive Fund regardless of whether the Village permits cannabis business establishments.

Should the Village adopt zoning standards allowing a dispensary into the Village, Carol Stream may impose a Municipal Cannabis Retailers Occupation Tax (CROT) up to 3%. It is difficult to estimate a revenue amount from a single dispensary. The total tax on a dispensary would be 5% (3% CROT + 1% Retail Occupation Tax + 1% Home Rule Sales Tax).

Action Requested

The State legalization of cannabis will have an impact on Carol Stream with or without a cannabis business establishment. Consideration should be given towards the potential budget impacts of allowing such a use in light of our current revenue streams. The benefits of a sale tax producing business in the Village is a benefit to the community.

Staff is seeking direction from the Village Board on whether to:

1. Enact an Ordinance to prohibit a cannabis business establishment in Carol Stream; or
2. Direct staff to prepare restrictive zoning language to allow cannabis business establishments in Carol Stream.
Should the Village Board wish to move forward with allowing cannabis business establishments within the Village, a public hearing before the Plan Commission would be required to hear the proposed text amendment changes to the Zoning Code. Staff would further recommend adoption of a Municipal Cannabis Retailers Occupation tax of 3%.
Recreational Cannabis
What Law Allows

- Use and possession of cannabis beginning on January 1, 2020 for adults 21 years of age and older;

- For Illinois resident who are 21 years or older, possession is limited to:
  - 30 grams (1 ounce) of raw cannabis (15 grams for non-resident)
  - Cannabis infused products with no more than 500 mg of THC (250 mg for non-resident)
  - 5 grams of cannabis product in concentrated form (2.5 g for non-resident)

- Individuals who are registered in the State’s medical cannabis program may grow up to 5 Cannabis plants.
  - Homegrow is otherwise prohibited.
What Law Allows

- Property owners are allowed to prohibit the use and growing of cannabis on their properties.
- Use of cannabis is prohibited in the following areas:
  - Grounds of any preschool, primary, or secondary school
  - Motor vehicles
  - In any public place or knowingly in close physical proximity to anyone under 21 years of age
  - Any location where smoking is prohibited by the Smoke Free Illinois Act
  - Post-secondary educational institutions can restrict or prohibit cannabis on their property.
Zoning Laws - Medical v. Recreational

Medical

- Medical cultivation centers prohibited within 2,500 feet from daycares, schools, or residential zoned property.

- Medical dispensaries prohibited within 1,000 feet of a school, daycare, home or residential zoned property.

- Carol Stream Currently Allows Dispensaries in the B4 Zoned District as a Special Use (Highlighted in Blue on next slide)

Recreational

- No cannabis business establishments are allowed in a residential zoned district

- No craft grower or dispensary located within 1,500 feet of another

- No cannabis advertisements within 1,000 feet of the perimeter of a school, a playground, a recreation center, daycare, public park or public library, or a game arcade

- Reasonable Zoning Restrictions are allowed including prohibiting on-premise use.
Village of Carol Stream
Medical Marijuana Dispensaries
1,000 Feet Radius

- Schools & Daycare Centers
- Restricted Locations
- B-4: Potential Locations
- Gary/North Ave Corridor Overlay District
- Village Limits
- Neighboring Community Boundaries

Zoning
- B-1
- B-2
- B-3
- B-4
- R-1
- R-2
- R-3
- R-4

1 inch = 2,000 feet

Prepared By: [Name]
July 2019
Fiscal Impact

- Village will receive 8% of the total amount of revenue collected (after State administrative costs) on a per capita basis through LGDF.
  - Funds will be restricted to crime prevention programs, training, and interdiction efforts related to illegal cannabis and cannabis-based DUI's.
  - Village will receive this revenue even if Village prohibits cannabis.

- If a cannabis facility locates within Carol Stream, the Village can impose a County and Municipal Cannabis Retailers Occupation Tax up to 3%.

Exact Revenue numbers are unknown due to the uncertainty as to how the State will administer the program.
Public Safety Impact

- Crime related to the Physical presence of a dispensary or cultivation center appears to be minimal.
  - A survey conducted by Lombard regarding existing medical dispensaries in the surrounding Chicago suburbs which found minimal impact on calls for service.
- Colorado Impact
  - The quantity of cases filed for serious marijuana-related crimes has remained consistent with pre-legalization levels, however black market (organized crime) cases have generally increased since 2008.
  - Filings for juveniles under 18 remain at the same level as pre-legalization.
  - In Denver, a majority of cannabis-establishment related crime involves burglary (59%). Robbery was not prevalent.
Action Requested

- Staff is seeking direction from the Village Board on whether to:
  - Enact an Ordinance to prohibit a cannabis business establishment in Carol Stream; or
  - Direct staff to prepare restrictive zoning language to allow cannabis business establishments in Carol Stream.

- Next Steps if Village Board wishes to Allow:
  - A public hearing before the Plan Commission to hear proposed text amendment changes to the Zoning Code.
  - Adoption of a Municipal Cannabis Retailers Occupation tax of up to 3%